

Effective 5/10/2016

Part 6
Agency Annual Report, Budget, and Audit Requirements

17C-1-601.1 Title.

This part is known as "Agency Annual Report, Budget, and Audit Requirements."

Enacted by Chapter 350, 2016 General Session

17C-1-601.5 Annual agency budget -- Fiscal year -- Public hearing required -- Auditor forms -- Requirement to file form.

- (1) Each agency shall prepare an annual budget of the agency's revenues and expenditures for each fiscal year.
- (2) The board shall adopt each agency budget:
 - (a) for an agency created by a municipality, before June 22; or
 - (b) for an agency created by a county, before December 15.
- (3) The agency's fiscal year shall be the same as the fiscal year of the community that created the agency.
- (4)
 - (a) Before adopting an annual budget, each board shall hold a public hearing on the annual budget.
 - (b) Each agency shall provide notice of the public hearing on the annual budget by:
 - (i)
 - (A) publishing at least one notice in a newspaper of general circulation within the agency boundaries, one week before the public hearing; or
 - (B) if there is no newspaper of general circulation within the agency boundaries, posting a notice of the public hearing in at least three public places within the agency boundaries; and
 - (ii) publishing notice on the Utah Public Notice Website created in Section 63F-1-701, at least one week before the public hearing.
 - (c) Each agency shall make the annual budget available for public inspection at least three days before the date of the public hearing.
- (5) The state auditor shall prescribe the budget forms and the categories to be contained in each annual budget, including:
 - (a) revenues and expenditures for the budget year;
 - (b) legal fees; and
 - (c) administrative costs, including rent, supplies, and other materials, and salaries of agency personnel.
- (6)
 - (a) Within 90 days after adopting an annual budget, each board shall file a copy of the annual budget with the auditor of the county in which the agency is located, the State Tax Commission, the state auditor, the State Board of Education, and each taxing entity from which the agency receives project area funds.
 - (b) The requirement of Subsection (6)(a) to file a copy of the annual budget with the state as a taxing entity is met if the agency files a copy with the State Tax Commission and the state auditor.

Renumbered and Amended by Chapter 350, 2016 General Session

17C-1-602 Amending the agency annual budget.

- (1) A board may by resolution amend an annual budget.
- (2) An amendment to an annual budget that would increase the total expenditures may be made only after a public hearing is held in accordance with Subsection 17C-1-601.5(4).
- (3) An agency may not make expenditures in excess of the total expenditures established in the annual budget as the annual budget is adopted or amended.

Amended by Chapter 350, 2016 General Session

17C-1-603 Annual report.

- (1) Beginning in 2016, on or before November 1 of each year, an agency shall:
 - (a) prepare an annual report as described in Subsection (2); and
 - (b) submit the annual report electronically to the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives project area funds.
- (2) The annual report shall, for each active project area whose project area funds collection period has not expired, contain the following information:
 - (a) an assessment of the change in marginal value, including:
 - (i) the base taxable value;
 - (ii) the prior year's assessed value;
 - (iii) the estimated current assessed value; and
 - (iv) a narrative description of the relative growth in assessed value;
 - (b) the amount of project area funds the agency received, including:
 - (i) a comparison of the actual project area funds received for the previous year to the amount of project area funds forecasted when the project area was created, if available;
 - (ii)
 - (A) the agency's historical receipts of project area funds, including the tax year for which the agency first received project area funds from the project area; or
 - (B) if the agency has not yet received project area funds from the project area, the year in which the agency expects each project area funds collection period to begin;
 - (iii) a list of each taxing entity that levies or imposes a tax within the project area and a description of the benefits that each taxing entity receives from the project area; and
 - (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
 - (c) a description of current and anticipated project area development, including:
 - (i) a narrative of any significant project area development, including infrastructure development, site development, participation agreements, or vertical construction; and
 - (ii) other details of development within the project area, including total developed acreage and total undeveloped acreage;
 - (d) the project area budget , if applicable, or other project area funds analysis, including:
 - (i) each project area funds collection period;
 - (ii) the number of years remaining in each project area funds collection period;
 - (iii) the total amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity; and
 - (iv) the remaining amount of project area funds the agency is authorized to receive from the project area cumulatively and from each taxing entity;

- (e) the estimated amount of project area funds that the agency is authorized to receive from the project area for the current calendar year;
 - (f) the estimated amount of project area funds to be paid to the agency for the next calendar year;
 - (g) a map of the project area; and
 - (h) any other relevant information the agency elects to provide.
- (3) A report prepared in accordance with this section:
- (a) is for informational purposes only; and
 - (b) does not alter the amount of project area funds that an agency is authorized to receive from a project area.
- (4) The provisions of this section apply regardless of when the agency or project area is created.

Amended by Chapter 350, 2016 General Session

17C-1-604 Audit requirements.

Each agency shall comply with the audit requirements of Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

Renumbered and Amended by Chapter 359, 2006 General Session

17C-1-605 Audit report.

- (1) Each agency required to be audited under Section 17C-1-604 shall, within 180 days after the end of the agency's fiscal year, file a copy of the audit report with the county auditor, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives tax increment.
- (2) Each audit report under Subsection (1) shall include:
- (a) the tax increment collected by the agency for each project area;
 - (b) the amount of tax increment paid to each taxing entity under Section 17C-1-410;
 - (c) the outstanding principal amount of bonds issued or other loans incurred to finance the costs associated with the agency's project areas; and
 - (d) the actual amount expended for:
 - (i) acquisition of property;
 - (ii) site improvements or site preparation costs;
 - (iii) installation of public utilities or other public improvements; and
 - (iv) administrative costs of the agency.

Amended by Chapter 350, 2016 General Session

17C-1-606 County auditor report on project areas.

- (1)
- (a) On or before March 31 of each year, the auditor of each county in which an agency is located shall prepare a report on the project areas within each agency.
 - (b) The county auditor shall send a copy of each report under Subsection (1)(a) to the agency that is the subject of the report, the State Tax Commission, the State Board of Education, and each taxing entity from which the agency receives tax increment.
- (2) Each report under Subsection (1)(a) shall report:
- (a) the total assessed property value within each project area for the previous tax year;
 - (b) the base taxable value of each project area for the previous tax year;

- (c) the tax increment available to be paid to the agency for the previous tax year;
 - (d) the tax increment requested by the agency for the previous tax year; and
 - (e) the tax increment paid to the agency for the previous tax year.
- (3) Within 30 days after a request by an agency, the State Tax Commission, the State Board of Education, or any taxing entity from which the agency receives tax increment, the county auditor or the county assessor shall provide access to:
- (a) the county auditor's method and calculations used to make adjustments under Section 17C-1-408;
 - (b) the unequalized assessed valuation of an existing or proposed project area, or any parcel or parcels within an existing or proposed project area, if the equalized assessed valuation has not yet been determined for that year;
 - (c) the most recent equalized assessed valuation of an existing or proposed project area or any parcel or parcels within an existing or proposed project area; and
 - (d) the tax rate of each taxing entity adopted as of November 1 for the previous tax year.
- (4) Each report described in Subsection (1)(a) shall include:
- (a) sufficient detail regarding the calculations performed by a county auditor so that an agency or other interested party could repeat and verify the calculations; and
 - (b) a detailed explanation of any adjustments made to the base taxable value of each project area.

Amended by Chapter 350, 2016 General Session

17C-1-607 State Tax Commission and county assessor required to account for new growth.

Upon the expiration of a project area funds collection period, the State Tax Commission and the assessor of each county in which a project area is located shall count as new growth the assessed value of property with respect to which the taxing entity is receiving taxes or increased taxes for the first time.

Amended by Chapter 350, 2016 General Session